

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 116

February 6, 2024

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 116 (the "District") met in regular session, open to the public, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, on the 6th day of February, 2024, and the roll was called of the members of the Board:

Chad Millis	President
Dallas Duffy	Vice President
Angela W. Riley	Secretary
Dr. John Knight	Assistant Secretary
Jesse Matthews	Assistant Vice President

and all of the above were present, thus constituting a quorum.

Also attending the meeting were Chantelle Mayo, manager of the Canyon Gate at the Brazos Owners Association; Lynn Franklin, a resident of the District; Greg Lentz of Masterson Advisors LLC; Ryan Fortner of Revenue Management Services; David Beyer of Storm Water Solutions, LLC ("SWS"); Angie Hartwell of Touchstone District Services ("Touchstone"); Isabel Mata of Wheeler & Associates, Inc.; Jennifer Abad of Municipal Accounts & Consulting LP; Rick Marriott of Si Environmental LLC ("Si"); Asim Tufail of Blackline Engineering, LLC ("Blackline"); and Adisa Harrington and Kathryn Blanton of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Harrington noted that while this is an in-person meeting of the Board, certain consultants and/or members of the public are attending by teleconference.

PUBLIC COMMENT

Ms. Harrington opened the meeting for public comments. There being no members of the public wishing to address the Board, Ms. Harrington closed public comments.

CONSENT AGENDA

The minutes of the January 12, 2024, regular meeting and consultant reports were provided in advance of the meeting. Following discussion, Director Duffy moved to approve the following consent items: (1) the minutes of the January 12, 2024, regular meeting, as submitted; (2) financial and bookkeeping matters; (3) reimbursement of eligible Association of Water Board Directors ("AWBD") winter conference expenses, which the bookkeeper confirmed were submitted in accordance with the District's Travel Reimbursement Guidelines, and attendance at the AWBD summer conference; (4) tax assessment and collection matters; (5) the City of Richmond (the "City") operations report; and (6) direct that, where appropriate, items are filed appropriately and retained in the

District's official records. Director Matthews seconded the motion, which passed unanimously. Copies of all reports approved as part of the consent agenda are attached.

ITEMS REMOVED FROM CONSENT AGENDA

There were no items removed from the consent agenda.

2024 DIRECTORS ELECTION

Ms. Harrington discussed procedures related to the 2024 Directors Election. She reviewed an Order Calling Directors Election.

Ms. Harrington then discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Fort Bend County.

Following discussion, Director Millis moved to (1) adopt the Order Calling Directors Election; (2) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required; and (3) direct that the Order and Notice be filed appropriately and retained in the District's official records. Director Riley seconded the motion, which passed unanimously.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

There were no additional financial and bookkeeping matters.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Mata updated the Board on the current tax collections.

The Board considered adopting a Resolution Regarding Exemptions from Taxation. Mr. Lentz discussed the optional exemptions, including a general residential homestead exemption and a homestead exemption for disabled person or persons over 65 years of age, and reviewed an exemption analysis, a copy of which is attached.

Following review and discussion, Director Duffy moved to adopt the Resolution Concerning Exemptions from Taxation providing for a \$25,000 exemption for persons who are over 65 or disabled and a 20% general residential homestead exemption. Director Matthews seconded the motion, which passed unanimously.

Ms. Hartwell stated that Touchstone will post a notification regarding the 2024 Tax Exemptions.

REVENUE MANAGEMENT SERVICES

Mr. Fortner presented and reviewed a Q1 (First Quarter) Strategic Partnership Agreement Audit ("Q1 SPA Audit"), a copy of which is attached. Following review, Director

Millis moved to approve the Q1 SPA Audit. Director Duffy seconded the motion, which passed unanimously.

OPERATOR'S REPORT

Mr. Marriott reviewed the operator's report with the Board, including monthly repair and maintenance items, as outlined in the report. A copy of the operator's report is attached. He stated the water accountability for the last billing period was 95.84%.

Mr. Marriott discussed a private onsite lift station located at 103 Crabb River Road, reporting that it has been repaired. He stated that the lift station and grease trap have been cleaned and are working properly.

Mr. Marriott discussed a resident appeal regarding high water bills for June and July 2023. He stated that Si notified the resident in June 2023 regarding a potential leak, but the resident did not make the necessary repair until October 2023. Discussion ensued and the Board concurred to deny the request.

Mr. Marriott presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting, of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Director Millis requested clarification regarding revenue for water tap inspections. Discussion ensued and Mr. Marriott answered questions from the Board.

Ms. Harrington discussed a request from the City regarding monthly water bill for an irrigation meter. She stated that the City has requested that the amount owed by the City for irrigation usage be credited against the amount owed by the District for wastewater services provided by the City, in lieu of the City paying its water bill for the irrigation meter. Discussion ensued, and the Board concurred to deny the request.

Following review and discussion, Director Matthews moved to: (1) approve the operator's report; (2) authorize termination of delinquent accounts, in accordance with the District's Rate Order; and (3) direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Knight seconded the motion, which passed unanimously.

ENGINEER'S REPORT

Mr. Tufail presented and reviewed the engineer's report, a copy of which is attached.

Mr. Tufail provided an update regarding the District-wide lift station modifications. He stated that an inspection was done on February 5, 2024, and the one-year acceptance will be completed on February 7, 2024.

Mr. Tufail provided an update regarding the re-evaluation of the District water supply system. He stated that Blackline obtained well pumpage data from Si and has commenced evaluation of capacities and connection availability.

Mr. Tufail stated that construction is nearing completion at the Territory at Williams Way.

Mr. Tufail stated that Blackline received design plans from 9er's Restaurant located at 6430 Sansbury Road and that comments were provided.

Mr. Tufail stated the potential annexation of a 17.5-acre tract for multi-family development is currently on hold.

Mr. Tufail provided an update regarding the request for service from the Southwest Church of the Nazarene located south of Crabb River Road and Rabb Ridge Drive.

Mr. Tufail discussed an annexation request from a multi-family developer.

Mr. Tufail reported on the GIS System, stating that the latest work orders have been submitted.

The Board considered authorizing conveyance of the following: (1) gift deed for 0.2761 acres from Brazo North I, Ltd. or its successor to the District; (2) gift deed for 1.7696 acres from Land Tejas Sansbury, L.L.C. or its successor to the District; (3) gift deed for 10.477 acres from 274 Brazos, Ltd. or its successor to the District; and (4) quitclaim deed for 1.930 acres from Sansbury 8, L.L.C. or its successor to the District.

Following review and discussion, Director Duffy moved to: (1) approve the engineer's report; and (2) accept conveyance of the four deeds, as detailed above. Director Matthews seconded the motion, which passed unanimously.

PHASE II SMALL MS4 GENERAL PERMIT AND STORM WATER MANAGEMENT PLAN ("SWMP")

Mr. Beyer updated the Board on the District's SWMP. He distributed and reviewed the year 5 annual report for the SWMP and a summary of the year 5 training and goals under the SWMP, copies of which are attached. He presented a utility bill insert regarding yard waste, hazardous waste, and pet waste, a copy of which is also attached.

Mr. Beyer began his training session with the Board and other consultants. He stated the topic of the year 5 extension training is stormwater pollution prevention, the minimum control measures, and bacteria-specific elements. Mr. Beyer explained the importance of keeping household hazardous waste, pet waste, and yard waste out of the storm sewers, to prevent adding to bacterial impairment. He then continued with the training, thoroughly explaining the sources of bacteria and outlining the program elements of the SWMP that deal with these sources.

Mr. Beyer reported that the Texas Commission on Environmental Quality (“TCEQ”) approved the District’s permit application (“NOI”) and SWMP on October 2, 2023, but the permit expired on January 24, 2024. He stated that the TCEQ will be issuing a new permit but has not done so yet. Mr. Beyer noted that the TCEQ has issued an administratively continued permit until August 2024.

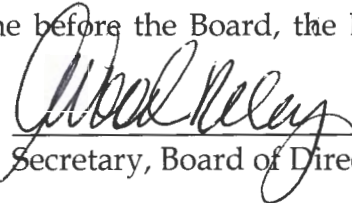
Following review and discussion, Director Duffy moved to approve the year 5 annual SWMP report and the utility bill insert. Director Riley seconded the motion, which passed unanimously.

DISTRICT WEBSITE AND COMMUNICATION MATTERS

Ms. Hartwell reviewed Touchstone’s monthly communications report, a copy of which is attached.

The Board concurred to hold the next meeting on March 5, 2024, at 12:00 p.m.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.


Secretary, Board of Directors

(SEAL)



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